

pursued, and several new investigations of possibly significant violations of the Libyan sanctions were initiated. During the current reporting period, substantial monetary penalties were assessed against U.S. firms for engaging in prohibited transactions with Libya. In one such case, a penalty of \$137,500 was collected from a major U.S. manufacturer, after an investigation developed evidence that it had exported services to Libya and engaged in contracts in support of projects in Libya.

Due to aggressive enforcement efforts and increased public awareness, FAC has received numerous voluntary disclosures from U.S. firms concerning their sanctions violations. Many of these reports were triggered by the recent amendment to the Regulations listing additional organizations and individuals determined to be Specially Designated Nationals ("SDNs") of Libya. For purposes of the Regulations, all dealings with the organizations and individuals listed will be considered dealings with the Government of Libya. All unlicensed transactions with these persons, or in property in which they have an interest, are prohibited. The initial listing of Libyan SDNs is not a static list and will be augmented from time to time as additional organizations or individuals owned or controlled by, or acting on behalf of, the Government of Libya

are identified.

4. The expenses incurred by the Federal Government in the 6-month period from June 15, 1991, through December 14, 1991, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at \$487,815. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

5. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, as long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

Sincerely,

GEORGE BUSH

*Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.*

## Remarks to the American Farm Bureau Federation in Kansas City, Missouri

*January 13, 1992*

Thank you, Dean Kleckner. It's a great pleasure to be up here with so many supporters of agriculture. First, let me single out Secretary Madigan, who is doing a superb job as our Secretary of Agriculture. A former Illinois Congressman, he knows the farm business inside out, and believe me, agriculture has a good friend in these GATT negotiations with Ed Madigan. I also salute my friend, the Governor of your host State, Governor Ashcroft is with us; plus two great Senators, Jack Danforth and Kit Bond; and then also Congressman Tom

Coleman. All three of these Senators plus this Governor are well-steeped in agriculture. They know the problems. They have been friends to agriculture. And farmers have voiced their support of all three of them plus the Governor over and over again.

I just had a chance just a few minutes ago to meet with the board, your board. It's good to see John White again. I spent the day with him in Chicago last month when I spoke to the Illinois Farm Bureau.

I won't lead you in the singing, but if you see Ed Madigan later on personally, you might want to wish him a happy birthday.

That great voice of rural America, Will Rogers, once observed, "A man in the country does his own thinking, but you get him into town and he will soon be thinking second-handed." Today I want to give you my firsthand report on my trip to Australia, Singapore, Korea, and Japan and to talk agriculture.

All of you know my real reason for going to Asia: prosperity, ours and theirs. That requires security; it requires stability, democracy, and certainly trade. Twenty-five percent of our farm product is exported, 25 percent. Free trade can give the American farmer new opportunities to save, invest, create, and dream.

The cold war has ended. What a miraculous year it's been. We stand on the verge of a new age of competition. Our ideals triumphed in the cold war, and the new wave of democracy represents nothing less than the political restructuring of the entire world. That was a tough fight, a long fight, but it was worth it.

Just one year ago today, one year ago, think back, we closed the American Embassy in Iraq, and American troops stood prepared to answer the call to duty, the call to liberate Kuwait from Iraqi oppression. That victory that ensued not only lifted the spirits of our Nation but clearly established the United States of America as the undisputed world leader, standing for what is right and decent, for democracy, for freedom against bullying and aggression. Go anywhere in the world, and you will see the respect in which we are held. Do not listen to those prophets of doom we hear every night, those frantic politicians who say we are a second-class power. We are the undisputed, respected leader of the world. We are the United States of America.

One wonderful dimension of this dramatic world change is that our children no longer have the same worries about nuclear war that their parents had just a few years ago. It was the leadership of the United States of America that brought this about. Now, make no mistake about it, now we must stay involved overseas to lead in economic restructuring for free and fair trade, open

markets all over the world.

Open markets are the key to our economic future, both for American agriculture and business. That fight is going to take time, and lots of people will want immediate results. This new world of opportunity isn't going to happen overnight. But I can tell you this: Empty-headed rhetoric won't get us there. Hard work, savvy, experienced negotiation, and confidence in ourselves will get us there, proud and strong. We won the cold war, and we will win the competitive wars. We will do it on the merits, and we're going to do it the American way, through grit, through determination, and through quality.

My trip to Asia was an important and successful step toward building that new world, not with just Japan but with the whole world. We reached dozens of new agreements on market openings, from computers to paper to glass to automotive products. In Japan alone our negotiators reached 49 standards agreements in nonautomotive industries and hammered out marketing opening agreements in a variety of industrial sectors. And that was just a start. Japanese Prime Minister Miyazawa has agreed to visit Washington later this year as a followup to the trip, and both sides have pledged to advance the cause of open, free, and fair trade.

Some political critics say that I shouldn't have taken the trip at all. They're wrong. I will continue to fight for American jobs everywhere. In these tough times, a President should do no less.

Some of these critics say that I wanted to promote managed trade. Wrong. I oppose managed trade. What I want to get is more fair access to the other guys' markets, and that's exactly what we got. Not everything we wanted, but we made progress. We cannot ask foreign markets to buy inferior goods, but we can insist that our quality goods must have fair access to overseas markets.

Our Asian allies understand that we don't want handouts or a home-field trade advantage. We just want a level playing field. Give us a fair shot, and American workers will outthink, outwork, and outproduce anyone in the world. American farmers—

and I saw this and heard it loud and clear on this trip—already do that.

Our farmers and ranchers thrive in the international marketplace despite the barriers that other governments throw in their way. As I said earlier, a full 25 percent of our agricultural production gets sold abroad. You don't complain; you get the job done.

Look, we all know that protectionism boils down to defeatism. If you don't trust your product, you try to keep others from sampling the competition. But if you trust your handiwork, you see foreign markets as a great opportunity.

And here's another point that I've made over the years: A capital gains tax cut would reduce the cost of capital and increase investment in business. Traveling in Asia, I was once again reminded of how we put ourselves at a competitive disadvantage with this high capital gains tax rate. Now more than ever, a capital gains tax cut will help our economy back on track. It will put more real value on America's farms and homes. It is good for everyone in our economy and especially for you, the American farmer. And I need your help to make the Congress understand this once and for all.

Consider the payoff. Every \$1 billion of American agricultural exports means 25,000 American jobs. Farm exports should exceed \$40 billion in 1992. In this time of trade deficits, that's a farm trade surplus of \$17 billion, and 1 million good American jobs.

Now we hear it again, we hear some politicians want to set quotas, want to legislate balance of trade. Do you know who would get hurt the most by this? The American farmer.

Don Shawcroft knows what I'm talking about. Japan imports \$1.7 billion in beef, and 53 percent of that beef comes from America. This helps cattle ranchers like Don, who runs a 600-head beef herd with his dad in Alamosa, Colorado.

Five hundred miles away lives Arlene Wessel, who produces farrow-to-finish hogs, dryland wheat, corn, on her family's farm near Huron, South Dakota. Arlene also knows how to keep America's standard of living number one in the world: not by building a fence around America but by convincing other countries to tear their fences down. I want to give all farmers, the

grain farmers, the rice farmers, those who grow the best produce in the world, a fair shot at selling their goods everywhere.

To achieve this, of course, will require diligence and patience. I recall an old Quaker farmer who would never take the name of the Lord in vain. Perhaps you have heard of him. But one day his mule, who was hitched to a hay wagon, wouldn't budge an inch. The farmer tried every bit of coaxing. No success. Finally, he reached the end of the rope. "Mule," he said, "I cannot beat thee or curse thee or abuse thee in any way. But mule, what thou doesn't know is that I can sell thee to an Episcopalian." [Laughter]

In that context, and as an Episcopalian, let me say a few words about export subsidies. Ultimately, they stifle growth, burden the taxpayer, cost consumers, and make industry less competitive. I also know that I must and will safeguard the interests of American farming. I will not let American agriculture disarm unilaterally.

Today, the trade practices of the European Community hurt American farmers. Our agricultural Export Enhancement Program, the EEP, is specifically designed to counter the EC's massive export subsidies. Without this effort, which is less than one-tenth the size, I might say, of the EC subsidy, American farmers would lose even greater market shares to the EC.

Yes, we want to end export subsidies; we must do that. But we will not do it until other nations do the same thing. I am not going to put our farmers at an unfair disadvantage. Sooner or later, the EC must stop hiding behind its own iron curtain of protectionism. Meanwhile, we will remain leaner, tougher, and more competitive.

The world's future progress and prosperity really depend upon free trade. I am working to conclude the Uruguay round of the GATT negotiations successfully. I especially appreciate, and I've told Dean Kleckner this, the Farm Bureau's steadfast support for free and fair trade. GATT will help the world move toward broader economic integration, not trading blocs.

Our administration will settle for nothing less than a GATT agreement that expands

markets and increases opportunities for our exporters. We want free trade, and we want fair trade. And we want abundant trade. And GATT, believe me, really holds the key. I know the EC's behavior threatens progress, but I am optimistic there will be an agreement. And I will not be a part of an agreement unless it's a good agreement for America.

While my administration supports American business abroad, we're also doing our best to help at home. In that spirit, I recall something written about people who grow up close to the soil: "There's something about getting up at 5 o'clock, 5 a.m., feeding the stock and chickens and milking a couple of cows before breakfast that gives you a respect for the price of butter and eggs." That writer knew that when it comes to farming, Washington does not know best. American farmers do.

In 1990, I worked hard with the legislative leaders, two of whom are here today, in the Senate and one of whom is in the House, here today with us, to get congressional approval of a farm bill that is even-handed and level-headed. That bill helped reduce interest rates, slash inflation, and increase flexibility for farmers to decide what to grow.

I've promoted firsthand thinking in farm policy from day one. We set out to reduce farm debt and increase farmers' independence, and there have been good results. Farmers' equity has grown \$45 billion in 3 years. Meanwhile, agricultural sales, gross cash receipts, have risen \$17 billion since I took office, to \$168 billion. Again, real results.

We are committed to common sense in a wetlands policy. My direction to Vice President Quayle's Council on Competitiveness was to protect environmentally sensitive wetlands and protect the property rights of landowners. I've asked the board here to send in specific recommendations

during this hearing period. Our new guidelines will distinguish between genuine wetlands, which deserve to be protected, and other kinds of land, including your farmlands.

Also, last month I signed a bill making nearly \$1 billion in disaster relief available to producers for 1990 and '91 crop losses.

Put these initiatives together, and you get a farm policy that lets farmers do what they do best: farm and compete all over the world. Our policies reflect the values that we all cherish: self-reliance, generosity, family, community. They draw upon your strengths, your intelligence, diligence, determination, and faith.

Today we meet in a city that testifies to all these virtues. Kansas City has braved three major floods this century and risen to new greatness each time. Ninety-two years ago, the Convention Hall burned to the ground. Proud men and women rebuilt it in 90 days. "In Kansas City," someone explained, "we don't know what 'impossible' means." My friends, I am still convinced that in America we don't know what "impossible" means.

The American dream isn't an impossible dream. Don't listen to all those gloom-sayers around this country saying that we are a nation in decline. We are, once again, the respected leader of the entire world. And working together, we are going to make the lot of every single American better.

Thank you very much. Thank you very, very much. And I am proud to lead an America that leads the world towards new freedom and prosperity. Thank you. And may God bless you all. Thank you.

*Note: The President spoke at 10:46 a.m. at the Municipal Auditorium. In his remarks, he referred to Dean Kleckner, national president of the American Farm Bureau Federation, and John White, Jr., president of the Illinois Farm Bureau.*